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SUBJECT: MEDIA REACTION ON WTO, SEPTEMBER 19, 2003

¶1. Op-ed by Roger Marin Neda in Tegucigalpa-based moderate daily "El Heraldo" on 9/19 entitled "Running after a mirage". "There were no great expectations before the failed WTO meeting in Cancun, although we are aware that free trade is fundamental for economic growth and poverty reduction."

"For some, the failure of the Cancun meeting began in 1996 when the EU and Japan requested the inclusion of several new issues in the original WTO agreement: policies to promote competitiveness, transparency in government purchases, and deregulation of foreign investment and trade. Developing countries saw more obligations without more rights, more costs than benefits, increased risks of legal penalties, and restrictions for their labor and environmental policies."

"The U.S. presented a much better proposal: the progressive elimination of tariffs on manufactures until 2015, and a 76% reduction of tariffs on agricultural goods for the next five years. It was a sound proposal, but it didn't address the issue of agricultural and cotton subsidies. A New York Times editorial stated that, `businesses, workers and taxpayers should be angered, because this administration is far more enthusiastic to support the most indefensible protectionism than protecting the national interests, by promoting growth through greater trade'. Undoubtedly, the U.S. was more flexible and open, and I believe their proposals would have been viable if the demands from Japan and the EU didn't place such heavy burden on the developing countries."

"One of the biggest surprises of the Cancun meeting was the G-21, where half of the global population and two-thirds of the agricultural producers live. The G-21 demonstrated its unity, strength and boldness, even though countries like China, Brazil, India and South Africa have very different economies and cultural values, and it's uncertain that they will share a medium or long-term common position, as they did in Cancun."

"It will be unrealistic for developing countries to have long-term expectations in the G-21. It'll be like going after an illusion, a mirage. It's like expecting that the equality of global trade on agricultural goods will bring immediate benefits to the producers."

Palmer